



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 30, 2002

H.R. 5012

John F. Kennedy Center Plaza Authorization Act of 2002

*As reported by the House Committee on Transportation and Infrastructure
on June 26, 2002*

SUMMARY

H.R. 5012 would authorize the appropriation of \$400 million to the Department of Transportation (DOT) to plan and construct a new plaza in front of the John F. Kennedy Center, and to improve access to the Center for both pedestrians and vehicles.

Assuming appropriation of the authorized amount, CBO estimates that implementing H.R. 5012 would cost about \$135 million over the 2003-2007 period and another \$265 million after 2007. Enacting H.R. 5012 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

H.R. 5012 contains intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA), but CBO estimates that the costs would be significantly below the threshold established in that act (\$58 million in 2002, adjusted annually for inflation). The bill contains no private-sector mandates as defined in UMRA.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 5012 is shown in the following table. The costs of this legislation fall within budget function 400 (transportation).

	By Fiscal Year, in Millions of Dollars				
	2003	2004	2005	2006	2007
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Estimated Authorization Level ^a	10	10	20	50	100
Estimated Outlays	3	7	10	40	75
a. H.R. 5012 would authorize the appropriation of \$400 million over the 2003-2010 period. CBO estimates that \$190 million of that amount could be appropriated over the 2003-2007 period, with the remaining \$210 million provided after 2007.					

BASIS OF ESTIMATE

For this estimate, CBO assumes that H.R. 5012 will be enacted near the end of fiscal year 2002 and that the amounts necessary to implement the bill will be appropriated for each year. Estimates of outlays are based on information from the Federal Highway Administration, the John F. Kennedy Center, and historical spending patterns of similar projects. Based on information from the agency, CBO estimates that DOT would plan and construct the plaza project over the next 12 years. Current plans for the plaza include space for two small buildings.

PAY-AS-YOU-GO CONSIDERATIONS: None.

ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

H.R. 5012 would bypass the D.C. City Council's review and approval of efforts to dispose of D.C. property for the Kennedy Center Plaza project. In preempting the City Council's authority, the bill contains an intergovernmental mandate as defined in UMRA, but CBO estimates that it would impose no duty on the city government that would result in additional spending.

If necessary for the construction of the proposed Kennedy Center Plaza, the District of Columbia would have to reconfigure the city highway system. In addition, the District of Columbia would have to transfer any property or air rights required for the project, without compensation. These potential requirements on the city also would be intergovernmental mandates as defined in UMRA. Based on information from the Federal Highway

Administration and the District's Department of Transportation, CBO estimates that the costs of complying with these mandates would be significantly below the threshold established in that act (\$58 million in 2002, adjusted annually for inflation). Furthermore, the construction-related costs resulting from the mandates would be funded by the federal government.

ESTIMATED IMPACT ON THE PRIVATE SECTOR

H.R. 5012 contains no private-sector mandates as defined in UMRA.

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